

# Department of Environmental Quality

Analyst: Houston

## Historical Summary

<b>OPERATING BUDGET</b>	<b>FY 2007 Total App</b>	<b>FY 2007 Actual</b>	<b>FY 2008 Approp</b>	<b>FY 2009 Request</b>	<b>FY 2009 Gov Rec</b>
<b>BY PROGRAM</b>					
Administration and Support	6,685,000	6,800,300	7,410,200	8,270,100	8,695,000
Air Quality	5,879,900	5,918,200	6,094,900	7,049,100	7,199,100
Water Quality	19,798,000	16,561,200	18,974,500	19,465,100	19,546,600
CDA Basin Commission	2,332,100	1,022,900	2,089,400	1,909,500	1,914,900
Waste Mgmt and Remediation	22,499,500	21,391,700	24,049,700	24,160,000	24,345,700
INL Oversight	2,166,400	1,999,300	2,231,700	2,046,900	2,065,300
<b>Total:</b>	<b>59,360,900</b>	<b>53,693,600</b>	<b>60,850,400</b>	<b>62,900,700</b>	<b>63,766,600</b>
<b>BY FUND CATEGORY</b>					
General	16,247,000	16,247,000	17,402,600	18,993,900	19,464,800
Dedicated	7,590,900	5,722,000	7,266,600	7,476,300	7,590,000
Federal	35,523,000	31,724,600	36,181,200	36,430,500	36,711,800
<b>Total:</b>	<b>59,360,900</b>	<b>53,693,600</b>	<b>60,850,400</b>	<b>62,900,700</b>	<b>63,766,600</b>
Percent Change:		(9.5%)	13.3%	3.4%	4.8%
<b>BY OBJECT OF EXPENDITURE</b>					
Personnel Costs	25,798,300	23,722,000	27,062,800	27,990,700	28,919,500
Operating Expenditures	27,188,900	23,996,700	27,559,400	27,696,700	27,594,600
Capital Outlay	440,000	874,800	394,500	1,028,800	1,128,800
Trustee/Benefit	5,833,700	5,100,100	5,833,700	6,184,500	6,123,700
Lump Sum	100,000	0	0	0	0
<b>Total:</b>	<b>59,360,900</b>	<b>53,693,600</b>	<b>60,850,400</b>	<b>62,900,700</b>	<b>63,766,600</b>
Full-Time Positions (FTP)	378.55	378.55	378.55	378.55	378.55

## Department Description

The Idaho Legislature created the Department of Environmental Quality (DEQ) in the public's interest "to protect human health and the environment as its sole mission" (§39-102A). The Department is organized into six budgetary programs.

Administration and Support Services develops policies, legislation, and rules for permitting and regulatory programs; promotes public understanding of environmental issues and solicits public input; assesses program effectiveness in improving water and air quality; and services DEQ internal support needs.

The Air Quality program assures compliance with federal and state health-based air quality standards by monitoring air quality and collecting data; developing and issuing permits; and coordinating air quality improvement efforts made by communities, citizen groups, businesses, industries, and governmental agencies.

The Water Quality program develops strategies to prevent, protect, and remediate areas so as to maintain or improve water quality. The program protects human health and biological integrity through watershed, drinking water, ground water, waste water, and grant and loan activities.

The Coeur d'Alene Basin Project Commission, §39-8104, coordinates natural resource restoration to address heavy metal contamination caused from upstream mining operations.

Waste Management and Remediation is responsible for ensuring that solid wastes are managed and disposed of in a manner protective of human health and the environment. The program responds to existing releases of hazardous substances and works with active mines to ensure best management practices are followed.

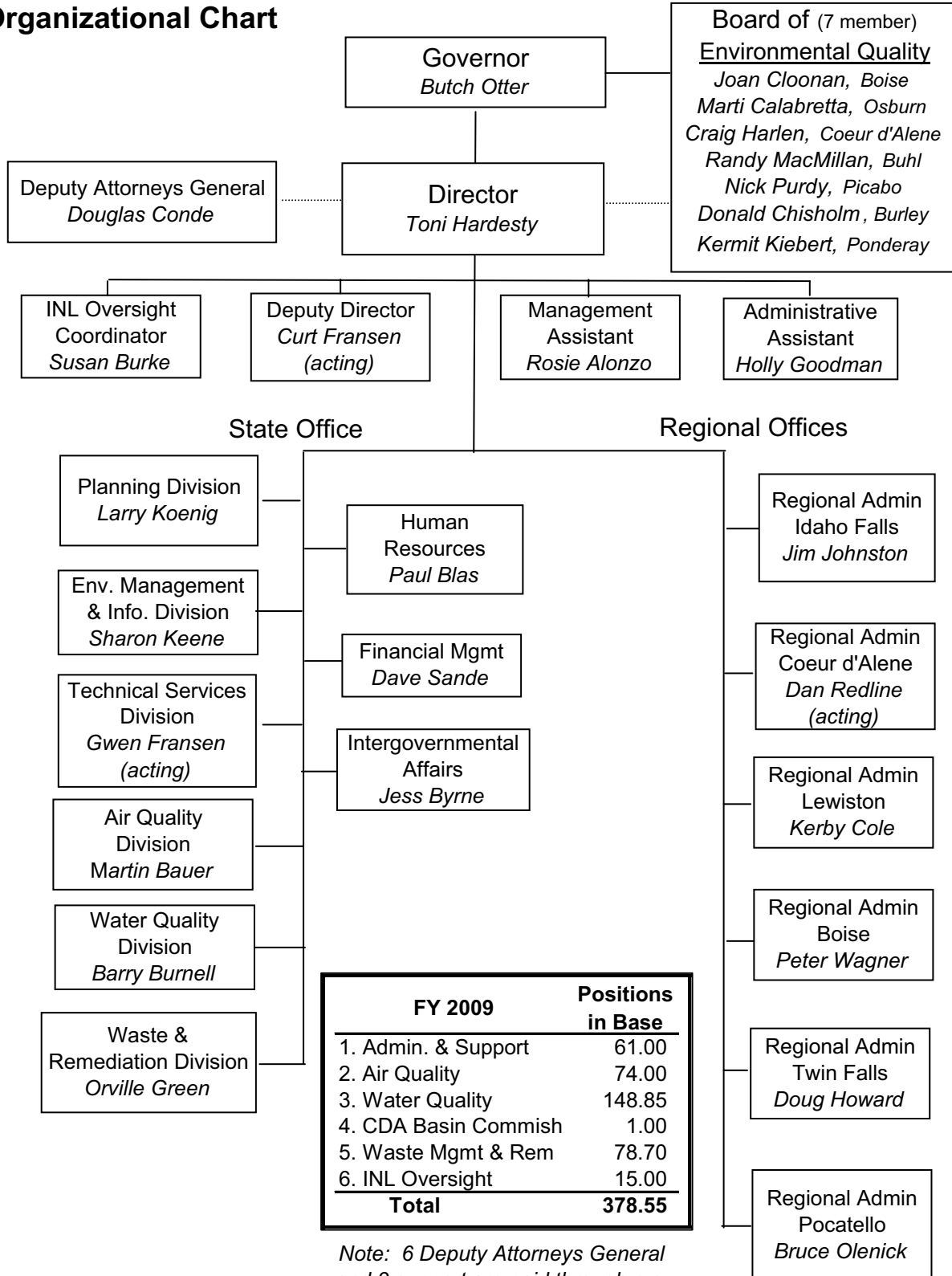
The primary responsibility of the Idaho National Laboratory (INL) Oversight Program is to independently monitor INL operations and document transportation of radiological materials along transportation corridors. The objective is to assure the protection of Idaho's land, air, water, wildlife and public health from nuclear releases.

# Department of Environmental Quality

## Agency Profile

Analyst: Houston

### Organizational Chart



# Department of Environmental Quality

## Agency Profile

Analyst: Houston

### Sources of Funds

	FY 2007 Expenditures	Percent of Total	FY 2008 Appropriation	FY 2009 Request
<b>1. General Fund (0225-03)</b>	\$ 16,247,000	30.3%	\$ 17,402,600	\$ 18,993,900
The General Fund sources are the individual income tax, corporate income tax, sales tax, cigarette tax, beer tax, wine tax, liquor profits, kilowatt hour tax, mine license tax, treasurer's interest on investments of certain idle funds, court fees and fines, insurance premium tax, estate and transfer tax and other miscellaneous sources from agency receipts.				
<b>2. Economic Recovery Reserve Fund (0150-01)</b>	381,200	0.7%	0	0
Revenues from a 29 cent increase to the 28 cent per pack cigarette tax were placed into a special fund for FY 2005 and FY 2006 and appropriated for one-time capital outlay in FY 2007.				
<b>3. Air Quality Permitting Fund (0186-00)</b>	1,273,100	2.4%	1,878,400	1,949,600
Moneys received from fees collected from permitting fees assessed to pollution sources under Title V of the Federal Clean Air Act Amendment of 1990 and all earned interest.				
<b>4. Public Water System Supervision (0191-00)</b>	1,566,300	2.9%	1,799,200	1,869,000
Fees assessed on regulated public drinking water systems, donations, and interest.				
<b>5. Water Pollution Control Fund (0200)</b>	395,400	0.7%	408,200	422,900
Of the monthly transfers amounting to \$4.8 million per year from the General Fund and retained interest, a small amount is appropriated for water quality monitoring.				
<b>6. Environmental Remediation Bunker Hill Box Fund (0201-01)</b>	65,700	0.1%	128,900	128,900
Transfers from the Water Pollution Control Fund, sales of property, legal settlements, and interest.				
<b>7. Environmental Remediation Basin (0201-02)</b>	243,100	0.5%	1,027,800	1,037,000
Transfers from the Water Pollution Control Fund, sales of property, legal settlements, and interest.				
<b>8. DEQ Receipts Fund (0225-05)</b>	1,538,200	2.9%	1,724,100	1,768,900
Fees from services, cost recoveries from mine reclamation and leaking underground storage tanks, stationary source permitting fees, and other miscellaneous receipts. The fund is also used to expend moneys from the Environmental Protection Trust which contains moneys donated or conditionally granted to the department and all retained interest. Moneys are used to carry out the conditions of each grant.				
<b>9. Treasure Valley Air Quality Trust (0225-20)</b>	39,600	0.1%	0	0
The FY 2007 appropriation provided up to \$50,000 from the Economic Recovery Reserve Fund to match up to \$50,000 in corporate contributions for a public awareness campaign to develop an Air Quality Management Plan for Ada and Canyon Counties.				
<b>10. Bunker Hill Trust Fund (0511-00)</b>	219,400	0.4%	300,000	300,000
Receipts that are the result of consent decree declarations between the state and settling defendants involved in the Bunker Hill Mine cleanup. Moneys are held as a trust fund and used for blood lead screenings and activities to benefit human health and the environment within the Bunker Hill Superfund Site in Shoshone County.				
<b>11. DEQ Federal Funds (0225-02)</b>	31,724,600	59.1%	36,181,200	36,430,500
Federal grants and reimbursements from federal fund sources.				
<b>Total</b>	<b>\$ 53,693,600</b>	<b>100.0%</b>	<b>\$ 60,850,400</b>	<b>\$ 62,900,700</b>

The department also has three continuously appropriated funds. 1) The Drinking Water State Revolving Loan Fund is used for loans to assist public water systems to finance infrastructure costs. The Water Pollution Control Fund is used as the State's 20% contribution. 2) The Clean Water State Revolving Fund is used to finance public owned wastewater treatment facilities and pollution control projects. The Water Pollution Control Fund is used as the State's 20% contribution. 3) The Hazardous Waste Emergency Fund consists of moneys from compliance proceedings, court ordered judgments or settlements, and earned interest. Moneys are used to pay necessary costs of mitigating threats to public health or safety caused by the emergency.

# Department of Environmental Quality

Analyst: Houston

## Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
<b>FY 2008 Original Appropriation</b>	<b>378.55</b>	<b>17,402,600</b>	<b>60,850,400</b>	<b>378.55</b>	<b>17,402,600</b>	<b>60,850,400</b>
Reappropriation	0.00	0	60,400	0.00	0	60,400
<b>FY 2008 Total Appropriation</b>	<b>378.55</b>	<b>17,402,600</b>	<b>60,910,800</b>	<b>378.55</b>	<b>17,402,600</b>	<b>60,910,800</b>
Non-Cognizable Funds and Transfers	0.00	0	0	0.00	0	0
<b>FY 2008 Estimated Expenditures</b>	<b>378.55</b>	<b>17,402,600</b>	<b>60,910,800</b>	<b>378.55</b>	<b>17,402,600</b>	<b>60,910,800</b>
Removal of One-Time Expenditures	0.00	(345,600)	(514,900)	0.00	(345,600)	(514,900)
Base Adjustments	0.00	0	(204,000)	0.00	0	(204,000)
<b>FY 2009 Base</b>	<b>378.55</b>	<b>17,057,000</b>	<b>60,191,900</b>	<b>378.55</b>	<b>17,057,000</b>	<b>60,191,900</b>
Benefit Costs	0.00	432,400	891,200	0.00	415,900	857,200
Inflationary Adjustments	0.00	153,800	274,100	0.00	91,200	91,200
Replacement Items	0.00	411,200	540,700	0.00	411,200	540,700
Statewide Cost Allocation	0.00	(52,800)	(122,700)	0.00	(52,800)	(122,700)
Change in Employee Compensation	0.00	107,500	240,700	0.00	537,500	1,203,500
<b>FY 2009 Program Maintenance</b>	<b>378.55</b>	<b>18,109,100</b>	<b>62,015,900</b>	<b>378.55</b>	<b>18,460,000</b>	<b>62,761,800</b>
1. Air Quality Monitoring Equipment	0.00	884,800	884,800	0.00	884,800	884,800
2. Video Conferencing - Gov's Initiative	0.00	0	0	0.00	100,000	100,000
3. Mercury Monitoring - Gov's Initiative	0.00	0	0	0.00	20,000	20,000
<b>FY 2009 Total</b>	<b>378.55</b>	<b>18,993,900</b>	<b>62,900,700</b>	<b>378.55</b>	<b>19,464,800</b>	<b>63,766,600</b>
Change from Original Appropriation	0.00	1,591,300	2,050,300	0.00	2,062,200	2,916,200
% Change from Original Appropriation		9.1%	3.4%		11.8%	4.8%

# Department of Environmental Quality

Analyst: Houston

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>FY 2008 Original Appropriation</b>	378.55	17,402,600	7,266,600	36,181,200	60,850,400

## Reappropriation

## Air Quality

Reappropriates the remaining portion of \$100,000, approved in S1494 of 2006, for the Treasure Valley Air Quality Match. That appropriation provided up to \$50,000 from the Economic Recovery Reserve Fund to match up to \$50,000 in corporate contributions for a public awareness campaign to develop an Air Quality Management Plan for Ada and Canyon Counties. In other words, the Trust spent \$39,600 in FY 2007 of which \$19,800 was from state monies. Because this was a two-year appropriation, the remaining appropriation will expire on June 30, 2008.

Agency Request	0.00	0	60,400	0	60,400
Governor's Recommendation	0.00	0	60,400	0	60,400

## FY 2008 Total Appropriation

Agency Request	378.55	17,402,600	7,327,000	36,181,200	60,910,800
Governor's Recommendation	378.55	17,402,600	7,327,000	36,181,200	60,910,800

## Non-Cognizable Funds and Transfers

Includes object transfers of \$40,000 from operating expenditures to trustee and benefit payments in the Air Quality Program for the BSU Small Business Development Center and \$250,000 from operating expenditures to trustee and benefit payments in the Coeur d'Alene Basin Commission budget. Transfers 2.2 FTPs and \$189,100 from the INL Oversight program and \$36,000 from the Coeur d'Alene Basin Commission to the Waste Management and Remediation program for personnel costs. Transfers \$561,100 into the Administration and Support Services program and \$214,600 into the Water Quality program from the other programs for operating expenditures. These adjustments move rent costs from the programs to the Indirect Cost pool located in the Administration Program and these adjustments move Attorney General costs out of the indirect cost pool to the programs.

Agency Request	0.00	0	0	0	0
Governor's Recommendation	0.00	0	0	0	0

## FY 2008 Estimated Expenditures

Agency Request	378.55	17,402,600	7,327,000	36,181,200	60,910,800
Governor's Recommendation	378.55	17,402,600	7,327,000	36,181,200	60,910,800

## Removal of One-Time Expenditures

Remove funding provided for one-time replacement items and \$60,000 provided one-time for data collection and lab analysis to continue mercury monitoring in Southern Idaho.

Agency Request	0.00	(345,600)	(79,600)	(89,700)	(514,900)
Governor's Recommendation	0.00	(345,600)	(79,600)	(89,700)	(514,900)

## Base Adjustments

## Air Quality, Water Quality

Transfer \$257,000 spending authority for four positions from federal funds in the Air Quality Program to four positions in the Water Quality program. Transfer \$257,000 of spending authority for four positions from the General Fund in the Water Quality program to four positions in the Air Quality program. The effect is to shift funding from the Water Pollution Control Fund provided in FY 2007 for Wastewater Loan Administration to Wastewater Grants which frees up General Fund money which is then transferred to the Air Quality program. Federal fund spending authority from the Air Program is then transferred to the Water Quality Program for Wastewater Loan Administration. Also, reduce federal spending authority by \$204,000 in the Water Quality program to align budget and remove unneeded spending authority.

Agency Request	0.00	0	0	(204,000)	(204,000)
Governor's Recommendation	0.00	0	0	(204,000)	(204,000)

## FY 2009 Base

Agency Request	378.55	17,057,000	7,247,400	35,887,500	60,191,900
Governor's Recommendation	378.55	17,057,000	7,247,400	35,887,500	60,191,900

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>Benefit Costs</b>					
Includes \$2,075 per position or a 29% increase in employer-paid health insurance premiums (from \$7,125 to \$9,200 per year). Also includes funding to increase the employer retirement contribution rate by .61% of salary (from 10.39% to 11% for regular employees).					
Agency Request	0.00	432,400	136,000	322,800	891,200
<i>The Governor recommends funding the employer increase in health insurance, and does not remove the funding for their PERSI rate increase that was included in the request. Recently, the PERSI Board voted not to increase the contribution rate for the upcoming fiscal year. In addition, for this agency the Governor recommends that the Division of Human Resources (DHR) fee be reduced by 35% for classified positions, from 0.615% of gross salary to 0.4%, because it has been granted delegated authority by DHR.</i>					
Governor's Recommendation	0.00	415,900	130,800	310,500	857,200
<b>Inflationary Adjustments</b>					
This customized inflationary adjustment is a 1.2% General Fund increase over the base operating expenditures and trustee and benefit payments. It is calculated by removing rent and SWCAP from the base and applying inflationary rates ranging from 1% to 3% to each summary object based on historical spending patterns. In addition to general inflation, it also includes, from the General Fund, \$51,500 for leased office space and \$39,700 in IDANET network service costs.					
Agency Request	0.00	153,800	25,500	94,800	274,100
<i>Inflationary increases are provided only for contractual obligations such as leased space costs. Other inflationary requests are not recommended.</i>					
Governor's Recommendation	0.00	91,200	0	0	91,200
<b>Replacement Items</b>					
Replacement items include \$180,000 for 8 vehicles, \$235,000 for 150 computers and 2 printers, \$96,700 for software upgrades, and \$29,000 for air monitoring equipment.					
Agency Request	0.00	411,200	24,000	105,500	540,700
Governor's Recommendation	0.00	411,200	24,000	105,500	540,700
<b>Statewide Cost Allocation</b>					
This decision unit includes adjustments for services provided by state agencies as follow: \$25,600 for State Controller fees, \$54,100 for property and casualty insurance premiums, and a reduction of \$202,400 for Attorney General fees.					
Agency Request	0.00	(52,800)	7,300	(77,200)	(122,700)
<i>The Governor's Recommendation adjusts for Attorney General fees in the Water Quality program instead of the Administration program because the expenditure adjustment moved the Attorney General costs from the Administration program to the Water Quality program.</i>					
Governor's Recommendation	0.00	(52,800)	7,300	(77,200)	(122,700)
<b>Change in Employee Compensation</b>					
Reflects the calculated cost of a 1% salary increase of \$224,500 for permanent postions and \$16,200 for group positions.					
Agency Request	0.00	107,500	36,100	97,100	240,700
<i>The Governor recommends a compensation increase of 5% to be distributed based on merit.</i>					
Governor's Recommendation	0.00	537,500	180,500	485,500	1,203,500
<b>FY 2009 Program Maintenance</b>					
Agency Request	378.55	18,109,100	7,476,300	36,430,500	62,015,900
Governor's Recommendation	378.55	18,460,000	7,590,000	36,711,800	62,761,800

# Department of Environmental Quality

Analyst: Houston

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>1. Air Quality Monitoring Equipment</b>					<b>Air Quality</b>
Air quality data is important to meet federal guidelines and for DEQ's Air Quality Index program which is used for making recommendations to the public regarding open burning bans, prescribed burns, residue disposal, and outdoor activities. The request is \$513,300 to replace 23 of the state's 45 ambient air particulate monitors, \$300,000 to update the software for the Data Acquisition System (DAS), and \$71,600 for one additional permanent particulate monitor and three new mobile particulate monitors for a total of \$884,800. The request is from the General Fund because federal grants, stationary source permitting fees, and Title V air permitting fees are not sufficient to keep up with needed equipment replacement and expansion. [One-time]					
Agency Request	0.00	884,800	0	0	884,800
Governor's Recommendation	0.00	884,800	0	0	884,800
<b>2. Video Conferencing - Gov's Initiative</b>					<b>Administration and Support Services</b>
Agency Request	0.00	0	0	0	0
This decision unit furthers the Governor's Environmental Initiative by providing video conferencing equipment for the Department of Environmental Quality to pilot an effort to reduce travel for meetings. This pilot will provide other state agencies access to video conferencing equipment for their meeting needs. [One-time]					
Governor's Recommendation	0.00	100,000	0	0	100,000
<b>3. Mercury Monitoring - Gov's Initiative</b>					<b>Water Quality</b>
Agency Request	0.00	0	0	0	0
This decision unit provides funding for monitoring stations, analysis, evaluation, and costs associated with tissue sampling for mercury. [Ongoing]					
Governor's Recommendation	0.00	20,000	0	0	20,000
<b>FY 2009 Total</b>					
Agency Request	378.55	18,993,900	7,476,300	36,430,500	62,900,700
Governor's Recommendation	378.55	19,464,800	7,590,000	36,711,800	63,766,600
Agency Request					
Change from Original App	0.00	1,591,300	209,700	249,300	2,050,300
% Change from Original App	0.0%	9.1%	2.9%	0.7%	3.4%
Governor's Recommendation					
Change from Original App	0.00	2,062,200	323,400	530,600	2,916,200
% Change from Original App	0.0%	11.8%	4.5%	1.5%	4.8%